

# HR Tool Box

## State of Vermont

## Department of Human Resources

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### From Interim Commissioner Linda P. McIntire

As you know, it was an active and challenging legislative session. Even after the session officially closed, the parties continued to grapple with how to address the FY10 budget deficit. Front and center was \$13.4 million dollars to be found in personnel cost savings. Approximately 110 State employees have been or are soon to be laid off. For the majority of those 110 employees, the close of business on June 5 was the scheduled effective date of the RIF.

On the afternoon of June 4, the VSEA filed a Motion for a Temporary Restraining Order and Injunction (TRO) at the Chittenden Superior Court. VSEA asserted that the layoffs violated the "Appropriations Act," passed on June 2. The VSEA claimed that the Act specifically prohibited the Administration from proceeding with layoffs unless they were first submitted as part of a plan that is vetted and approved by the legislature's Joint Fiscal Committee and asked the Court to stop the Administration from proceeding with the layoffs set to begin on June 5. The VSEA was granted a hearing on the TRO which was scheduled for the morning of June 5<sup>th</sup>.

The State argued that while the Legislature enacted a version of its Bill requiring legislative approval of a plan prior to implementing layoffs in H.441, which overrode the Budget veto, that law would not be effective until July 1, 2009. The Legislature also enacted H.442, however at the time of the TRO filing, H.442 had not yet become law. Therefore, it was the State's position that the Court was being asked to rule on the enforceability of laws that were not yet effective. Ultimately, the Court denied VSEA's request for the TRO.

While we were satisfied with the Court's decision, our satisfaction was tempered by the fact that employees were being laid off. We continue to seek to work with the VSEA to come up with a mutually agreeable plan for personnel cost savings.

These difficult economic times continue to strain employees and their families and that strain has a ripple effect across our organization. I know this has been a difficult time for all of you. Secretary Lunderville and I sincerely appreciate your hard work and the kindness showed to all employees and in particular those impacted by the layoffs.

Thank you again for the work you do.

## SAVE THE DATE!

### HR PARTNERS Quarterly Meeting

**August 13, 2009**

**1:00 – 4:00**

**Hazen's Notch  
The Summit  
Waterbury**



## Succession Planning for Your Key Positions

A succinct definition of **Succession Planning** is ensuring your organization has “the right people in the right positions at the right time.”

Another way to describe succession planning is:

*The process of identifying and preparing suitable employees through mentoring, training and job rotation, to replace key players within an organization as those key players leave their positions for whatever reasons – retirement, advancement, attrition, etc.*

“Key positions” might include leadership positions, or specialized positions and roles that may be technical, content-specific, or otherwise hard to replace. They may require particular training, licensure, or background that is difficult to replicate.

### Why is Succession Planning Important to Do?

- It helps the organization to assess its leadership needs.
- Leaders identify key people, and the organization creates and implements the means of developing them for leadership. This involves identifying the work functions critical to the leadership and other key positions of the organization.
- It provides a comprehensive inventory of the knowledge, skills and abilities that will be needed to sustain effective leadership in the future.

### How Can Succession Planning Help Me? (. . . and my organization)

- It may help make the paths for advancement visible to employees. This can motivate them to perform with advancement in mind. They

can also more readily see where their work “fits” in the larger context of the organization.

- It creates pathways to appropriate promotion and candidate selection by matching organizational needs with qualified talent, both internal and external.
- It is a means to monitor and reward performance and professional development.
- It can result in improved placement in hiring processes, and improved leadership through development and skilled recruitment.

### Where Do We Start?

- Start with a high level of commitment to succession planning from the leaders and managers of your organization.
- Shortly, DHR will have a Workforce Planning Toolkit posted on its website. We invite you, when it is ready, to look at the whole site, and then visit the Succession Planning page for more help.
- The Workforce Development team of the Workforce Development and Wellness Division, DHR, is preparing a hands-on class in Succession Planning. It will be available this fall through The Summit: Center for State Employee Development catalog.



## New Report Provides Key Workforce Metrics

Based on many requests from HR Partners and managers we have produced the “Workforce Profile” to provide a quarterly up-to-date view of several of the most important workforce metrics found in the DHR Workforce Report. Why?

- By the time the Workforce Report is published, the data is six months old.
- We routinely get ad hoc requests for the “current” numbers.
- Decision makers would have the most recent data for planning purposes.

The Workforce Profile is distributed at the end of each quarter in the HR Partners Weekly Communication and can also be found in the Publications area of our web site. We would welcome your feedback, including ideas about other data that you might want included in a quarterly report. Please direct your feedback to Doug Pine at [doug.pine@state.vt.us](mailto:doug.pine@state.vt.us).

## Retirement Incentive Program Sparks Employee Interest

Interest remains strong among employees who are eligible for the 2009 retirement incentive offering. Approximately 1,000 State of Vermont employees recently received letters from the State Treasurer's Office Retirement Division informing them they were eligible to apply for the voluntary program. The incentive program was approved in an early June special legislative session and signed into law by the Governor.

"All applications must be received by the Retirement Division no later than July 31," said State Treasurer Jeb Spaulding. "I want to encourage any employees who believe they are eligible, but have not received a letter from us, to contact my office soon to have their situation evaluated by retirement personnel."

The legislation allows 300 eligible employees to take advantage of the retirement incentive. The Retirement Division plans to utilize a lottery process in early August to select the employees, should eligible applications exceed 300.

To be eligible for the retirement incentive program a person must be employed as a State of Vermont employee on June 1, 2009; participate in either the defined benefit or defined contribution retirement plans; as of July 1, 2009, have either 30 years of service or be age 62 with at least five years of service; and have not initiated a purchase of service after May 1, 2009.

Incentives are calculated based on years of creditable service. Employees retiring under this program with five or more years of creditable service, but less than 15 years, will receive \$750 for each creditable year served. Employees with 15 years or more of creditable service will receive \$1,000 for each year of creditable service. The largest cash retirement incentive eligible employees may receive is capped at \$15,000.

Incentives will be paid in two equal amounts in fiscal years 2010 and 2011. The first payment will be made within 90 days of an employee's retirement date. The second payment will be made within 30 days of the one-year anniversary of the employee's retirement date.

In addition to the cash incentives, the State also will continue to pay 80 percent of the cost for the employee's premium for health insurance. This coverage is provided through the plan currently offered to State of Vermont retirees, as long as they maintain eligibility requirements for at least seven years following retirement.

The law does allow an employer to stagger the retirement dates of multiple retiring employees if necessary to continue normal operation of business. However, no retirement date will be later than March 1, 2010.

The Retirement Division will hold multiple group retirement seminars the week of August 10 in Montpelier for employees retiring through the incentive program. Employees with questions about their eligibility for the program should contact the retirement office by calling (802) 828-2305, or toll free in Vermont at 1 (800) 642-3191.

Of the potentially 300 positions freed up by this program, the goal is to leave at least one-third unfilled. If that occurs, fiscal projections indicate that the retirement incentive program should essentially break even in year one and provide significant long-term cost reductions in future years.



### From the Wellness Division

Having fun with the *Get Moving Vermont!* Appalachian Adventure and wondering how to stay active through the summer? The Appalachian Adventure ends July 6 and the next challenge cycle will run from July 20-October 12. Two exciting options will be available:

1. The Appalachian Adventure PLUS trail will stay open for those who have finished the first leg of the trail and want to continue on the complete Appalachian trail.
2. We will offer a second 398 mile leg of the Appalachian Trail that will begin in Tyngham, MA (where the last trail left off) and continue to Mount Marshall in Virginia.

Keep moving, everyone!

## The Department of Human Resources

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We're on the Web!  
*See us at:*

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### **CIGNA – Well Informed**

Consistent with our mission to improve the health of our individuals, CIGNA offers a gaps-in-care program, called Well Informed.

Well Informed helps individuals to proactively address deficiencies, gaps and omissions in care through sharing information with individuals and health care professionals, and assisting individuals with the burden of illness or injury. Examples of this are as simple as reminders to complete your annual exams, to more serious issues such as regularly filling your prescription for high blood pressure. What are the advantages for employees and their families:

- Improved health and quality of life
- Education on their condition
- More personalized support and coaching

This is an update from the Vermont Department of Health regarding H1N1 (Swine Flu) and a reminder about the importance of following some common sense procedures.

### **Novel H1N1 (Swine Flu)**

For the past two months, the Vermont Department of Health and Vermont Emergency Management, along with many other state government agencies and partners around the state, have been closely monitoring and responding to the outbreak of the novel H1N1 influenza virus (swine flu) that is now circulating in our state.

On June 11, the World Health Organization (WHO) declared the novel H1N1 flu a pandemic. A flu pandemic means that this is a new strain of flu that has spread easily from person to person in many countries around the world.

In the U.S. and in Vermont, we have been preparing for pandemic flu for some time, and this work will continue throughout the summer.

So far, the novel H1N1 flu appears to be causing illness much like the regular seasonal flu, with most people recovering without hospitalization. But influenza can be a serious, life-threatening illness for many, especially for people with serious health conditions. Every year in the U.S. approximately 200,000 people are hospitalized from the regular flu, and on average 36,000 die from complications of the flu.

What's different about a novel strain of flu is that humans have very little immunity against it. The severity of this novel H1N1 pandemic, in terms of how many infected people will develop severe complications, is being closely studied by clinicians worldwide.

We hope that the messages put out by the Health Department will be reinforced with you and your families. As a reminder:

- **Cover your cough.** Cover your nose and mouth with a tissue every time you cough or sneeze. Throw the tissue in the trash after you use it. If you don't have a tissue, cough into the crook of your elbow. Avoid touching your eyes, nose or mouth. Germs spread this way.
- **Wash your hands often and well** - especially after you cough or sneeze. Use soap and water and wash for as long as it takes to sing the "ABC" song. Alcohol-based hand cleaners are also effective. Try to avoid close contact with sick people.
- **Stay home when you're sick.** If you are sick with a flu-like illness, stay home and away from others to keep from infecting others and spreading the virus further. If you need medical attention, call your health care provider first before going in.
- **Stay tuned. Stay prepared.** This is a good time for every individual, family, business and organization to stay alert to the changing situation — and to make or refine plans about what you will do if you or the people you depend on need to stay home for an extended period of time.

Go to the Health Department's website at <http://www.healthvermont.gov> for extensive resources, guidance, information and links to other helpful sites. You may also dial 2-1-1 for answers to your questions and access to Vermont resources.